

The Board of Regents, State of Iowa, met on Thursday, April 10, 2003, at the University of Northern Iowa, Cedar Falls, Iowa. The following were in attendance:

Members of Board of Regents, State of Iowa

Dr. Newlin, President	All sessions
Dr. Arbisser	All sessions
Ms. Arnold	All sessions
Dr. Becker	All sessions
Mr. Fisher	All sessions
Dr. Kelly	Excused at 12:15 p.m.
Mr. Neil	Excused at 3:30 p.m.
Ms. Nieland	Excused at 3:45 p.m.
Dr. Turner	All sessions

Newly-Appointed Members of Board of Regents, State of Iowa

Mr. Downer	All sessions
Mr. Forsyth	All sessions

Office of the Board of Regents, State of Iowa

Executive Director Nichols	All sessions
Deputy Executive Director Barak	All sessions
Director Elliott	All sessions
Director Wright	All sessions
Associate Director Hendrickson	All sessions
Associate Director Racki	All sessions
Assistant Director Anania	All sessions
Communications Specialist Boose	All sessions
Administrative Assistant Friedrich	All sessions
Minutes Secretary Briggie	All sessions

State University of Iowa

President Skorton	All sessions
Provost Whitmore	All sessions
Vice President Jones	All sessions
Vice President Kelch	All sessions
Vice President True	All sessions
Director Parrott	All sessions

Iowa State University

President Geoffroy	All sessions
Provost Allen	All sessions
Vice President Hill	All sessions
Vice President Madden	All sessions
Assistant to President Chidister	All sessions
Director McCarroll	All sessions
Director Steinke	All sessions

University of Northern Iowa

President Koob	All sessions
Provost Podolefsky	All sessions
Vice President Romano	All sessions
Vice President Schellhardt	All sessions
Vice President Gaston	All sessions

Iowa School for the Deaf

Superintendent Johnson	Excused at 3:50 p.m.
Director Heuer	Excused at 3:50 p.m.
Interpreter Reese	Excused at 3:50 p.m.
Interpreter Gerischer	Excused at 3:50 p.m.

Iowa Braille and Sight Saving School

Superintendent Thurman	Excused
Director Utsinger	Excused at 3:50 p.m.
Director Woodward	Excused at 3:50 p.m.

THE CORRESPONDING DOCKET MEMORANDUM FOR
EACH AGENDA ITEM IS AVAILABLE ON THE
BOARD OF REGENTS WEBSITE AT:

www.state.ia.us/educate/regents

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OBTAINED FROM THE BOARD OFFICE
BY CALLING 515/281-3934.

BOARD OF REGENTS, STATE OF IOWA

The following business was transacted on Thursday, April 10, 2003, beginning at 10:47 a.m.

President Newlin welcomed everyone to the April 2003 Board of Regents meeting.

APPROVAL OF MINUTES OF BOARD MEETING OF MARCH 11-12, 2003.

President Newlin asked if there were any additions or corrections to the minutes. There were none.

MOTION: Regent Fisher moved to approve the minutes of the March 11-12, 2003, meeting, as written. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

CONSENT ITEMS. (a) Board Meetings Schedule. Approval of the Board meetings schedule was requested.

(b) Appointments to Banking Committee. Ratification of the appointments to the Banking Committee, effective May 1, 2003, was requested.

(c) Regent Merit System Classification Revisions. Approval of revisions to Regent Merit System classifications was requested.

(d) Equipment Purchases for Cardiac Catheterization Laboratories #1 and #2, University of Iowa. On behalf of the University of Iowa, approval was requested for the purchase of Cardiac Catheterization Laboratory equipment for lab #1 in the amount of \$1,047,729 and Cardiac Catheterization Laboratory equipment for lab #2 in the amount of \$1,119,250.

(e) Establishment of a M.S. Degree in Athletic Training, University of Northern Iowa. Referral of the University of Northern Iowa's request to establish a Master of Science degree in Athletic Training to the Board Office and the Interinstitutional Committee on Educational Coordination (ICEC) for review and recommendation was requested.

MOTION: Regent Nieland moved to remove from consideration on the consent docket the University of Northern Iowa's request to establish a M.S. degree in Athletic Training and to table discussion of the University's request until the conclusion of the Board of Regents' strategic planning process. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Arbisser moved to approve the remaining items on the consent docket. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT ON LEGISLATIVE SESSION.

Executive Director Nichols stated that, since the Board of Regents last met, a number of legislative actions important to the Regent institutions have taken place, several of which have occurred since the Board meeting materials were written. He proceeded to provide an overview of the most important actions that have been taken or are contemplated to be taken in the legislature. He noted that this week was "funnel week"; therefore, additional clarity will soon be provided about which bills will be "alive" until the end of the session.

Executive Director Nichols said the most significant action taken in the legislature was the House of Representatives' change in the appropriations bill for education agencies. In early-March, when the bill emerged from the Joint Education Appropriations Subcommittee, it included an approximate \$28 million reduction in overall Regent appropriations. The bill included a \$25 million reduction for the Regent institutions and a \$1 million reduction by elimination of the Board Office, as well as smaller miscellaneous changes. He reported that, through a great deal of effort by many people on behalf of the Regents, the House restored the bill to level funding for the coming fiscal year for the institutional operating budgets. The Board Office operation was funded, and the Governor's recommendation of a 2 percent increase in basic operations funding for the two special schools (in parity with K-12 schools' allowable growth) was approved. He said the bill is currently in the Senate and he was hopeful that the bill would remain in the form in which it passed the House.

Executive Director Nichols next discussed several ongoing issues about which the outcome was unknown. With regard to the Iowa Values Fund, the economic development initiative being developed between the Governor and the legislature, he

said there are versions being circulated which include significant investments in research and business development initiatives which impact all three Regent universities.

Executive Director Nichols stated that significant effort has gone into drafting legislation to create an Iowa Department of Administrative Services. He said the version that passed the House was better than the initial draft version as it relates to the Regents. The House version provides a process for agreement by the Board of Regents prior to the Regents' mandatory participation in services such as personnel and budgeting. Through efforts of the Board's legislative liaisons, it appears the bill may emerge in the Senate in a slightly better form for the Regents.

Two very important issues pending at the legislature are the state salary bill and capital appropriations. Executive Director Nichols said there is a good prospect that the Regents will be disappointed in the salary bill, although the bill has not yet been introduced. He stated that the Board of Regents requested additional capital appropriations that were not recommended in the executive branch budget. Capital appropriations bills have not yet been introduced, either. He said the ongoing litigation regarding state gaming taxes impacts the entire state budget for capital appropriations.

Regent Fisher asked if there were capital appropriations for any projects of the Board of Regents at this time. Executive Director Nichols responded that no capital funds have been appropriated for any department of state government because of the gaming tax dispute. He stated that salaries and capitals will be among the last items brought forth due to the dispute.

Executive Director Nichols referred to the confirmation process in the state Senate for the members of the Board of Regents. Appointments of Regent-designates Downer and Forsyth were approved this week. It was expected that confirmation of the re-appointment of Regent Arnold would be forthcoming.

Regent Fisher referred to the issue of capital funding and asked if projects for which funding was approved in prior years would continue to be funded. Executive Director Nichols responded that, last year, legislative action provided multi-year appropriations for a number of projects. He said there has been no indication that those appropriations might be deappropriated; however, there has been no action on new requests for capital appropriations.

One other issue which Executive Director Nichols said he wished to address was the very strong opposition of institutional heads and the Board of Regents' leadership to the recommendation from a consulting firm for the enactment of a "capital charge" which, he believes, is a property tax on students and their families. Such a proposal has never

before been included in a legislative bill. He said he was modestly encouraged about the executive branch's expression of non-support for the proposal. Regent representatives are in the process of informing legislators of the reasons why the proposal is a very bad idea. The proposal was a "back door" method of budget cuts that sets a very bad precedent. The Board Office recommended that the Board reaffirm the position to strongly oppose the capital charge.

President Newlin stated that a Minnesota consultant's recommendation for a capital charge on buildings, land and equipment is equal to a \$600 property tax on every university student and deaf and blind child in Iowa. He said the Board of Regents understands the financial straits of the state of Iowa. Discussions with elected state leadership about how to address the financial situation is ongoing, while recognizing that the Board of Regents will need to absorb some of the cuts. However, the proposed capital charge was not a sensible approach to solving the state's financial problems. He said the proposed capital charge threatens efforts to strengthen economic development in Iowa and further strains the institutions' tight budgets. While supporting the stimulation of economic development in Iowa, he said the Board of Regents vigorously opposes the capital charges as proposed. He noted that the consultant indicated that Texas had initiated a capital charge system, but Texas also exempted its public universities from the charge. He said no other state has instituted a capital charge system.

Regent Fisher stressed the importance of communicating and articulating effectively with students, parents and alumni. He said each fall the students provide the Board with excellent and effective presentations on tuition. He would like for students to do the same with this issue by lobbying their parents and legislators. He recommended that students, parents and alumni be energized to help the Board on this important issue.

Regent Neil said he echoed the sentiments of Regents Newlin and Fisher, noting that he had voiced his concerns across the legislative arena. He then referred to a newspaper article which indicated that a legislative leader does not understand that the refinancing of Regent bonds is a savings to the state. The legislator proposed that the Board of Regents refinance its debt at a lower interest rate to save the state money. Regent Neil stated that the Board of Regents has been refinancing debt for the four years that he has been on the Board. For some reason, that information is not getting through to the legislature. With regard to the proposed capital charge, he said the proposal breeds more bureaucracy. First, there would be discussions about how much square footage is being used. An auditing department may need to be created to verify the amount of square footage, and so on.

President Newlin stated that a determination would also have to be made as to how much of the square footage was paid for by the federal government, how much was paid for by private funds, and how much was provided by state funds.

Regent Neil said no state has developed a proposed capital charge system and Iowa does not need to be the "proving ground" for such a program.

President Newlin said he was encouraged that the Governor does not support the proposed capital charge.

Executive Director Nichols said there are some legislators with whom the Board of Regents has not had a productive relationship in the past. In working together on the education appropriations bill, there is beginning to be more of a two-way dialogue. He was hopeful that there could be similar dialogue about the proposed capital charges. He found it difficult to believe that legislators would want to institute a program that would make it more expensive for students to receive an education. Additionally, in this era of trying to control health care costs, one must consider the impact of a facilities tax on the University of Iowa Hospitals and Clinics. What would the impact be on the rates for patients? He stated that the consultant's recommendation was not very well thought out and he was hopeful that, as legislators realize the complications in instituting a capital charge, legislators will not move forward with the recommendation.

Regent Turner said the capital charge proposal was merely a method of cost shifting, and of the legislature giving with one "hand" and taking with the other. The proposed capital charge would basically take back everything that is being gained.

Regent Neil stated that he had heard a suggestion that the state should be charged rent for the buildings that had been donated to the Regents. President Newlin said doing so would be a disincentive to donors.

MOTION: Regent Neil moved to (1) receive the monthly report on the 2003 legislative session and (2) approve the recommended Board positions on identified bills. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF PARKING RATES.

Director Elliott stated that, last month, the Board gave preliminary consideration to proposed parking rate increases and parking manual changes at the Regent universities. The proposals presented for approval this month were unchanged from those presented in March. She said University of Iowa officials were prepared to

present the results of the study that was performed to determine visitor parking capacity and demand on the University's east campus.

Regent Arbisser stated that the format used by the universities in outlining the percentage increases in parking rates was not uniform. He said it would be helpful to have those presented in similar format. Secondly, he noted there was a discrepancy in the percentage increase in revenues across the three universities, including a substantial increase at the University of Iowa.

Vice President True responded that the parking systems are very different from each other in the type of parking structures and the cost per space. For example, the University of Iowa has a number of high-cost vertical structures, many of which serve the University of Iowa Hospitals and Clinics. As noted by the Board Office in the meeting materials, the University of Iowa's parking rates were approved by the Board for a five-year period for the purpose of debt issuance for construction of the Newton Road parking ramp and for expansion of the ramp along Melrose Avenue. He stated that parking charges are determined collectively by the parking and transportation service and by the University's charter committee on parking and transportation. The committee is comprised of representatives of the University's three constituency groups: students, faculty and staff. The rate structure developed through this collaborative effort is generally perceived as equitable, and generates sufficient revenues to meet the debt service and operational requirements of the University's parking system.

Regent Arbisser asked that, in the future, the University of Iowa present the percentage increases in the different categories. Vice President True responded that University officials would work with the Board Office to do as requested.

Regent Arnold said it would helpful to also be provided with the duration of the parking permits represented by the University of Iowa's rate proposal. She asked if Iowa State University's and the University of Northern Iowa's rates are by month, by semester or annual. Vice President Madden responded that the majority of Iowa State University's parking rates are annual. Some rates for students are charged by the semester and are pro-rated. President Koob stated that the University of Northern Iowa's parking rates are annual.

Vice President True said the rates presented for the University of Iowa's parking system are generally monthly or as determined.

Vice President Madden stated that officials of all three universities would be glad to work with the Board Office to provide more uniformity and consistency in their reporting.

Vice President True introduced Dave Ricketts, Director of Parking and Transportation at the University of Iowa, and Barbara Chance, Chance Management Advisors, Inc., to present highlights and recommendations of the East Campus Visitor Parking Analysis. He noted that Board members had been provided with the full report. He said the origin of the study was in January when University officials presented the budget of the Pomerantz Center. Due to concerns expressed by Board members, Vice President True indicated that the project would not be bid until Board members were satisfied with the adequacy of parking.

Ms. Chance provided a PowerPoint presentation. She stated that key questions of the East Campus Visitor Parking Analysis were: 1) Is visitor parking adequate during peak periods? and 2) How should the east campus parking spaces be allocated? She said there is very limited availability of parking for visitors near the Iowa Memorial Union and the northern part of the east campus, while there is a relative parking surplus at the southern part of the east campus. There is very limited availability of visitor spaces at the Iowa Memorial Union Ramp during peak periods. In the North Campus Ramp the availability is greater but not significant; the turnover at the North Campus Ramp is less than at the Iowa Memorial Union Ramp.

The conclusions of the analysis were as follows:

- Visitor parking on the east campus is not adequate.
- Operations must be changed to ensure visitor parking in the existing spaces designed for visitors.
- While the Pomerantz Center will concentrate some east campus visitor demand, the Iowa Memorial Union and academic functions have far greater existing and future visitor parking needs.

Ms. Chance presented the following short-term recommendations:

- (1) Alter the rate structure at the Iowa Memorial Union and North Campus Ramps to allow more visitor parking, beginning with rates to discourage parking longer than three hours, particularly during the day.
- (2) Reduce the evening rate at the North Campus Ramp, keeping the differential between day and evening student permits, to encourage greater use of this facility during evening hours.

- (3) Lengthen cashiering hours at the Iowa Memorial Union and North Campus Ramps for a pilot period to determine how many patrons park for long periods in the evening or store their cars and exit after closing, without paying.

President Newlin asked if the approximate length of the additional cashiering hours would be around a two-hour period. Ms. Chance responded that an additional two hours would probably be adequate to “catch” those who are currently not paying for parking.

- (4) Support “legitimate” all-day patrons with an audible electronic parking validation system and/or manual validations purchased in advance.
- (5) Promote and improve the parking experience at the North Campus Ramp:
 - a) improve way finding for drivers to the North Campus Ramp as well as for pedestrians within the ramp and leaving the ramp to walk to the Union;
 - b) promote this ramp in event ads, registration materials, ticket purchases, and event publicity;
 - c) improve the walk between the North Campus Ramp and the Union; decorative lights, upgraded landscaping, street furniture and amenities;
 - d) better define and upgrade pedestrian crossings and markings to promote pedestrian safety, particularly crossing Market Street.
- (6) Refine a pre-pay system for use in both ramps to speed exiting after events, especially for the Iowa Memorial Union Ramp.
- (7) Coordinate with the City on the use of nearby public garages as overflow parking supply, and promote these facilities with improved way finding from campus, “garage full” condition signs that encourage drivers to go to the City facilities, public information, and ads for large events.
- (8) If rate changes do not lead to adequate visitor parking in the Iowa Memorial Union and North Campus Ramps, increase visitor parking in the North Campus Ramp by reallocating the permits from the Ramp to faculty/staff lots with remaining vacancy. This may need to be supported by increases in transit service to and from parking facilities.
- (9) Convert selected faculty/staff spaces to short-term metered parking.

Longer-term recommendations presented by Ms. Chance were:

- (1) Plan for additional faculty/staff and student parking spaces peripheral to the east campus as visitor demand grows with programs and events.
- (2) Add a double-sided, well-landscaped metered parking bay to the metered area south of the Iowa Memorial Union for short-term use. This is a sensitive green area, but the demand for short-term parking to serve the Union is intense. The lot can be designed for minimum visual intrusion in the area. It must be well enforced in order to serve the purpose of its creation.
- (3) Create a site for additional visitor parking
 - (a) a new garage in a central location near the Iowa Memorial Union is more desirable than a peripheral garage that might require shuttles to move most visitors to destinations, thus maximizing the cost for both garage construction and transportation;
 - (b) peripheral surface lots would be more cost effective than a peripheral garage;
 - (c) a central garage must be designed to have multiple entrances and exits in order to minimize the impact of traffic congestion entering and exiting the facility.

Regent Neil asked if the suggested moving of faculty and staff to a surface lot referred to lot 11. Ms. Chance responded affirmatively.

Regent Neil asked if Ms. Chance reviewed the usage of lot 11. Ms. Chance responded affirmatively, noting that lot 11 is one of the few places on campus where there still are spaces available.

Regent Fisher referred to the two former homes that are located across the street from the Iowa Memorial Union and next to the parking ramp, which have been converted for University use. He asked if that is a potential area for a parking facility.

Vice President True responded affirmatively, noting that the area, which is just east of the Union and next to the current parking ramp, is the area which University officials plan to analyze. He said there are a number of other activities taking place in those houses.

Regent Fisher asked if any budgetary planning figures had been applied to creating additional parking in that location. Mr. Ricketts responded that dollar figures have not been applied to creating additional parking in that location. He said the current ramp was built in 1962. It used to have a second entrance which was closed when Cleary

Walkway was opened. He then estimated that a 500-space parking facility would cost around \$7.5 million, not counting what it would cost to move the existing functions of the two houses.

President Newlin asked if a 500-space parking facility in that location would consist of three stories. Mr. Ricketts responded that such a parking facility would likely have five floors.

Regent Fisher said it was his feeling that the process to create more parking in the Iowa Memorial Union area needs to begin. The area around the Iowa Memorial Union is where parking is needed. With regard to the potential \$7.5 million cost, he said there were probably ways to fund the cost since the garage would likely be self-funding.

Vice President True stated that the cost would probably be double the estimated \$7.5 million because of the need to relocate the activities in Trowbridge and Halsey Halls, the former homes. He said he would not argue the point about the need for additional parking in the Iowa Memorial Union area. University officials have been awaiting Ms. Chase's advice to decide how to address the parking needs on the east campus.

Regent Fisher said there did not appear to be many people using Trowbridge and Halsey Halls. Vice President True responded that those facilities house major programs.

Regent Fisher asked if a new parking ramp would go all the way back to Cleary Walkway. Vice President True responded that University officials would want to build a new parking facility that serves the needs and does not just replace what is there currently.

Regent Turner asked if a determination had been made about the number of additional parking spaces that would be needed, in addition to the replacement spaces. Ms. Chase said the study did not directly address that question. She proposed that the number of spaces necessary to replace the Iowa Memorial Union Ramp first be determined. Next the anticipated growth of campus activities would have to be determined. Consideration should also be given to whether the new garage would replace the Iowa Memorial Union Ramp, whether visitor parking would be moved from the North Campus Ramp to the new ramp, and whether some visitor parking would remain in the North Campus Ramp. If the site allows, consideration should be given to a mixed use for the parking garage. Having a facility in the heart of campus that is a storage for vehicles plus something else is more attractive than just having a parking ramp. She provided examples of other campuses that have included dining facilities

and book stores on the top or bottom floors of parking garages. She stressed the importance of what is asked of the designers.

Regent Turner asked about the University's relationship with the City of Iowa City and with City parking ramps. Is there an opportunity to increase the number of parking spaces for University use?

Mr. Ricketts responded that the University does have a relationship with the City for parking. In the past, University visitors could park in City ramps and the University would be billed for the cost. That program is currently suspended because the department that makes those parking arrangements does not have the funds for the program. The City does have capacity and is more than willing to work with the University. University officials will work with City officials in the way finding efforts proposed in this study. He then stated that the demand for parking access is virtually unlimited on the east campus. If a 3,000 space garage were built, for example, he believes it would fill up overnight. Therefore, a demand management component has to be part of this effort. Not everyone who parks on the east campus needs to be served in that location.

Regent Nieland asked if everyone at the University is "on board" with the recommendations. Vice President True stated that a last resort would be intrusion into Hubbard Field, which is the only area of concern of which he was aware.

Mr. Ricketts said there were several recommendations that could be implemented right away to determine if there is an affect on opening up more visitor spaces. If those efforts do not bring about the desired result, University officials can "go further down the list" of short-term recommendations. It may be determined quite quickly that the parking cannot be managed and another parking facility needs to be built.

Regent Turner asked if arrangements could be made with the City for faculty and staff long-term parking assignments. Mr. Ricketts responded that the City has allocated 50 spaces to the University. Many University employees seek their own City parking assignments. When staff are allocated a City parking space (after being on the City's waiting list), the employee converts the space to the University's program. The employee then pays the University's rates which are lower than the City's rates. There are approximately 100 University employees in City parking facilities, a number which will grow incrementally. The City is also building a new parking facility in which the University may be allocated another one or two spaces.

Regent Becker referred to the recommendation to add metered parking near Hubbard Field (the area near Iowa Memorial Union and the Iowa House entrance). She said the University needs to review the entryway and access to the Iowa House. Besides the

inadequacy of long-term parking for the hotel, there is inadequate space for dropping off luggage. She suggested that consideration be given to moving the parking lot into Hubbard Field or re-designing the entryway into the Union and the Iowa House.

Mr. Ricketts stated that the site of the Iowa Advanced Technology Laboratory was originally a parking lot. At that time, University officials considered using Hubbard Field as a temporary parking area. However, there was a huge uproar and the idea was abandoned.

Vice President True stated that, in addition to the loss of near-term parking on the site of the Iowa Advanced Technology Lab, the façade of the front of the Union is not attractive. University officials are undergoing a phased approach to remodeling the Union. He said he would like to embed the suggestion of Regent Becker into the Union remodeling.

Regent Becker said that was a good idea.

Regent Neil asked how many parking spaces would be created if the University were to adopt the short-term recommendations presented by Ms. Chase, other than the one relating to Hubbard Field. Mr. Ricketts said about 150 spaces could be freed-up by the rate increases. Another 200 spaces could be made available if faculty and staff are moved out of the North Campus Ramp, for a total of 350 spaces.

Regent Neil asked if employees would be moved out of the North Campus Ramp by financial incentive or by direction. Mr. Ricketts said the University would first rely on attrition. Spaces freed up by attrition would not be allocated to other employees. If that does not create sufficient spaces in a timely manner, another method would be used.

Regent Neil asked if the short-term recommendations would free up 200 spaces for the Pomerantz Center. Mr. Ricketts said the 23 spaces for the Pomerantz Center are set aside specifically for recruiters in the recruiting season, and then the spaces are open to other uses outside of the recruiting season.

Regent Nieland asked if the number of spaces to be created would be between 200 to 300. Mr. Ricketts responded affirmatively. He noted that the Pomerantz Center does not generate much in the way of additional parking needs.

Regent Arbisser asked if the 23 parking spaces at the Pomerantz Center are also considered as part of the site plan for the Belin-Blank Center. Mr. Ricketts responded that those are shared spaces, except during recruiting activities. Night time parking at the site is also available for general parking access.

Regent Arbisser asked if there is much demand for parking at night. Mr. Ricketts said the question at night time is not that there is not enough space; the space is not where everyone wants it. There is raw capacity in the North Campus Ramp and elsewhere, but most people prefer the Iowa Memorial Union ramp.

Regent Arbisser referred to the issue of using the rate structure as a disincentive for people to park in a particular location. He discussed other cities where one can drive down a street and see signs posted indicating progressively declining parking rates as one gets further away from a particular venue. Sitting in a line of cars at the Iowa Memorial Union Ramp is not the time to become educated about the parking rate structure.

Ms. Chase said that was true. There needs to be a variety of information to inform drivers of the parking options.

Regent Becker said she really liked Ms. Chase's comments about making walking a more pleasant experience.

MOTION: Regent Turner moved to (1) approve the parking rate increases and parking manual changes at each of the Regent universities, as presented, and (2) authorize the University of Iowa to change incidental parking rates subject to the guidelines set forth. Regent Becker seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Later in the meeting, the following motion was made:

MOTION: Regent Arbisser moved that the Board's approval to proceed with construction of the Pomerantz Center project is conditional based on the University's implementation (and a report to the Board) of the east campus short-term parking recommendations presented at this meeting. Regent Neil seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REPORT OF THE BANKING COMMITTEE.

Regent Fisher recognized Barry Fick of Springsted, the Board's financial advisor, and Ed Bittle of the Ahlers law firm, the Board's bond counsel, to report on the bids received.

Mr. Fick stated that bids were taken that morning for bond sales for the University of Iowa and the University of Northern Iowa, and that both sales were very successful. With regard to the University of Iowa sale, he said the interest rate savings would go directly to the state of Iowa because the debt service on the bonds is paid by state tuition replacement appropriations. Three bids were received, with the winning bid being submitted by Bank of America Securities, LLC, which is a new participant in the Iowa market. The Bank of America Securities bid was for a true interest rate of 3.108 percent. The other two bids were from Advest Corporation for a true interest rate of 3.13 percent and A.G. Edwards for a true interest rate of 3.17 percent. He said the bids were very favorable and very close. The total savings to be realized over the life of the bonds was approximately \$604,000 on a present value basis, \$200,000 of which was a premium (above par) bid.

MOTION:

Regent Fisher moved to adopt (1) A Resolution providing for the sale and award of \$10,530,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 2003, and approving and authorizing the agreement of such sale and award. (2) A Resolution authorizing and providing for the issuance and securing the payment of \$10,530,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 2003, for the purpose of refunding the 2004 through 2012 maturities of the \$16,900,000 Academic Building Revenue Bonds, Series S.U.I. 1993, dated November 1, 1993, presently outstanding and heretofore issued by the Board to refund bonds issued to defray costs of building construction projects on the campus of The State University of Iowa. Regent Arbisser seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Arnold, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

Mr. Fick stated that the University of Northern Iowa sale for refundings of two prior bond issues. He said two bids were submitted, with Bank of America Securities, LLC, submitting the winning bid with a true interest rate of 3.47 percent. He noted that the difference in the interest rates for the University of Iowa sale and the University of

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Northern Iowa sale was attributable to the maturities being refunded. He said the bond yield was the same. The refunding represented a total present value savings of approximately \$875,000, the benefit of which would also go directly to the state of Iowa.

Mr. Bittle noted that, at last month's meeting, he had indicated that approval of the State Treasurer as Chair of the Tobacco Settlement Authority was required for refunding the University of Northern Iowa bonds. Authorization of the Tobacco Settlement Authority for the bond refunding has since been received. However, because of concerns about the timing of the refunding and FY 2004 appropriations, the 2004 maturities were excluded from the refunding.

MOTION:

Regent Fisher moved to adopt (1) A Resolution providing for the sale and award of \$8,465,000 Academic Building Revenue Refunding Bonds, Series U.N.I. 2003, and approving and authorizing the agreement of such sale and award. (2) A Resolution authorizing and providing for the issuance and securing the payment of \$8,465,000 Academic Building Revenue Refunding Bonds, Series U.N.I. 2003, for the purpose of refunding the 2005 through 2015 maturities of the \$3,900,000 Academic Building Revenue Bonds, Series U.N.I. 1992, dated June 1, 1992, and the 2005 through 2015 maturities of the \$7,440,000 Academic Building Revenue Bonds, Series U.N.I. 1993, dated July 1, 1993, presently outstanding and heretofore issued by the Board to defray costs of building construction projects on the campus of the University of Northern Iowa. Regent Arbisser seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Arnold, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

Regent Fisher stated the Banking Committee recommended that the Board set the date for the sale of Iowa State University dormitory revenue bonds.

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MOTION: Regent Fisher moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$9,600,000 Dormitory Revenue Bonds, Series I.S.U. 2003A. Regent Turner seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Arnold, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

Regent Fisher stated that Iowa State University officials had requested approval to abandon Westgate and Storms Halls. Much discussion about the University request had taken place at the Banking Committee meeting that morning.

Regent Becker stated that the Banking Committee had requested a periodic update about the security of Storms Hall since University officials were not prepared, at this time, to tear down the building.

Regent Neil suggested that, since the façade is falling off of the building, University officials should determine a way to demolish Storms Hall sooner than 2006. Vice President Madden responded that University officials would return to the Board after addressing that suggestion.

MOTION: Regent Fisher moved to adopt A Resolution directing the abandonment of Westgate and Storms Dormitories at Iowa State University of Science and Technology. Regent Turner seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Arnold, Becker, Fisher, Kelly, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: None.

MOTION CARRIED.

Regent Fisher stated that the Banking Committee had approved master lease financing to replace the stairs at Jack Trice Stadium.

MOTION: Regent Fisher moved to approve \$325,000 in master lease financing for Iowa State University to replace twelve sets of stairs that connect the lower level concourse areas to the upper level seating of Jack Trice Stadium. Regent Becker seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Regent Fisher stated that the Banking Committee had received audit reports on revenue bonds and internal audits from the University of Northern Iowa.

ACTION: President Newlin stated the Board approved the report of the Banking Committee, by general consent.

President Newlin recognized and thanked David Fisher for chairing the Banking Committee. He stated that a formal recognition of the outgoing Regents would take place during lunch.

Regent Fisher stated that everything he knew he had learned from former Regent Kennedy, and noted that she was in attendance at this month's Board of Regents meeting.

President Newlin also thanked Regent Kelly for his contributions to the Board of Regents.

ANNUAL REPORT ON STATEWIDE FAMILY PRACTICE TRAINING PROGRAM.

Assistant Dean Tracy presented a summary of the annual report on the Statewide Family Practice Training Program. He said the Program comprises eight three-year training programs. Trainees are medical college graduates. The number of participants ranges from 145 to 150 family practice residents which, he said, is a good match between the current demand and student interest. Students are from any of 32 medical colleges. Currently, 39 percent of the participants are women and 12 percent are under-represented minorities. Sixty percent of the most-recent graduates selected practice sites in the state of Iowa. During the past 28 years, three out of every five graduates of the program have established their practice in Iowa communities. He stated that nearly one-half of the graduates who selected Iowa sites have chosen communities with populations under 10,000. One-fourth of the graduates have located in the metropolitan areas where the training programs are based. He noted that family practice is the most popular specialty for graduates of the University of Iowa's College of Medicine. The number of University of Iowa medical graduates who have entered family practice residencies in the past five years is twice the national average. The annual

program cost is \$36 million, \$2.26 million of which is from the state of Iowa. He said those figures demonstrated the added value of the program to the state of Iowa.

Assistant Dean Tracy concluded his presentation by stating that the Statewide Family Practice Training Program continues to be a vital resource for the state of Iowa and the University.

Regent Turner asked about the use of the community hospitals' financial support for the Program. Assistant Dean Tracy responded that over 40 percent of the Program's cost is paid by community hospitals. Program costs include faculty salaries and resident stipends. Some of the Program costs are reimbursed through graduate medical education payments.

Regent Turner asked if the University oversees the program. Assistant Dean Tracy responded affirmatively. He said the University of Iowa provides technical and administrative support, as well as educational resources.

Regent Turner asked about the loss of training positions due to the closing of a hospital in Des Moines. Assistant Dean Tracy responded that the hospital, Metropolitan Medical Center, was part of the statewide Program, although it had a very small residency program. Some years, the hospital only had two to five residents.

President Skorton stated that he wished to publicly acknowledge Assistant Dean Tracy's superb work with this Program over a very long period of time. Under Vice President Kelch's and Assistant Dean Tracy's leadership, the College of Medicine has addressed this important need for the state of Iowa. He said it took discipline to keep a tight focus on the state's need for family physicians at the same time that the College of Medicine was becoming an international leader in research.

Regent Becker offered congratulations for the maintenance of the high quality of the Program over a long period of time.

Regent Nieland said she hoped that University officials get "the word" out about how amazing it is that the University was able to focus on the two areas, as indicated by President Skorton, that are so important to the state of Iowa.

Assistant Dean Tracy stated that a tracking system was developed at the beginning of the Program. In 1973, 37 percent of Iowa's general physicians were past age 60. Today, 8 percent of Iowa's family physicians are past age 60.

Regent Neil said he remembered when there was a big push in the legislature to address Iowa's need for family doctors. He suggested that Iowa legislators be informed about what the University of Iowa has done for Iowa communities.

Regent Neil asked how many Iowa communities have a pending request for a physician. Assistant Dean Tracy responded that there are 83 opportunities for family physicians in our state, which is down from 334 in 1998.

Regent Arbisser said he wished to echo the compliments to the University for the program. He noted that his personal physician is a family practice residency graduate.

President Newlin thanked Assistant Dean Tracy for the report and for his good work.

ACTION: President Newlin stated the Board received the report on the Statewide Family Practice Training Program, by general consent.

REVISIONS TO POLICY MANUAL.

Director Wright stated that, last month, the Board reviewed its first reading of revisions of selected sections of the Policy Manual. This month, the Board was asked to give final approval for publication of those revisions. He noted that the Board Office had received no requests for changes except for a couple of word changes that were submitted after the docket submission deadline. Those word changes will be made the next time that section of the Policy Manual is revised.

Regent Fisher asked if any more changes to the Policy Manual would be forthcoming before the document is published. Director Wright responded affirmatively, stating that Chapter 9 was not complete.

MOTION: Regent Becker moved to approve for publication the revised sections of the Board of Regents Policy Manual with changes as follows: (1) Chapter I. -- Board of Regents, Delete §1.03: Report of Special Schools Advisory Committees; Add to §1.04: Board Officers, subsection C, a provision for the nomination of a president pro tem of the Board to serve in the absence of the Board president; Delete the current §1.04E; Add a new §1.04E providing for continuity of operations at the institutions; Delete the current §1.06I: Regent Advisory Committees on Iowa School for the Deaf

and Iowa Braille and Sight Saving School; Delete reference (first paragraph) to the Special Schools Advisory Committees in §1.06: Interinstitutional Committees; (2) Chapter IV. Personnel -- Add a new §4.42: Interinstitutional Staff Sharing to provide for institutions to share staff in emergencies; (3) Chapter VI. Academic Policies and Procedures -- Delete from §6.05: Academic Review and Program Approval references to "certificates"; Revise §6.05B(3) to reflect current practice for format of reports; and (4) Chapter IX. Property and Facilities -- Revise §9.07: Consultant Agreements and Amendments to clarify the process for the selection of design professionals for Regent capital projects. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT ON MEETING OF THE IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION.

President Skorton stated, for the benefit of Regent-designates Downer and Forsyth, that the Iowa Coordinating Council for Post-High School Education is a voluntary coordinating group composed of CEOs and trustees of public and independent colleges and universities in Iowa, the College Student Aid Commission, the Iowa Department of Education and Iowa Public Television. He reported that, at its March 26 meeting, the Council established a Committee on "Substance Abuse" to develop recommendations on student substance abuse.

Regent Turner said she was pleased that the Council convened a committee on substance abuse. President Skorton pointed out that all three Regent universities have active programs on substance abuse. The Iowa Coordinating Council for Post-High School Education's committee will focus first on binge drinking.

Regent Becker said she was pleased to read that Ted Stilwill, Director of the Iowa Department of Education, and Gregory Nichols, Executive Director of the Board of Regents, State of Iowa, discussed the need for greater coordination and collaboration in the various stages of educational transition from birth through employment. She asked if there would be follow up to the preliminary discussion, and referred to the Governor's intent to create a P-16 council.

Executive Director Nichols responded that he expected the Governor would issue an executive order in the next four to six weeks creating this statewide council. Mr. Stilwill and Executive Director Nichols have been asked to help formulate that Council. He said the position they had taken was that their boards (Iowa Board of Education and the Board of Regents, State of Iowa) are very supportive of these collaborative efforts. Support will be provided to that effort once it gets "off the ground".

ACTION: President Newlin stated the Board received the report on the March 26, 2003, meeting of the Iowa Coordinating Council for Post-High School Education, by general consent.

AWARD OF FEDERAL TITLE IIA PROFESSIONAL DEVELOPMENT GRANTS.

Director Barak stated that the Title IIA professional development grants are part of the federal No Child Left Behind legislation. He said this grant program is the reauthorization of the federal government's effort to provide funds to state agencies for colleges and universities to offer professional development for elementary and secondary education teachers. The Board Office administers the higher education aspect of the legislation for Iowa. The Board Office oversees administration of the funds through the use of a panel of educators that reviews proposals submitted in response to a Request for Proposals.

MOTION: Regent Neil moved to approve the allocation of \$538,608 in federal Title IIA funds to six projects from independent colleges, community colleges, and Regent universities that provide professional development for K-12 teachers. Regent Becker seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

APPROVAL OF 2003-2004 RESIDENCE SYSTEM RATES.

Associate Director Hendrickson stated that, last month, the Board received a comprehensive governance report on residence systems that included the five-year plans, proposed rate increases for residence halls, apartments, and board contracts for the 2003-2004 academic year, and the FY 2004 proposed budgets. She said the budgets would be presented in July for approval. This month, the Board was asked to approve housing and dining rates, which were unchanged from those presented last month. She reminded Board members that the residence systems are self-supporting operations and receive no state appropriations.

MOTION: Regent Fisher moved to approve the university proposed rates for family housing, student apartments, residence halls, and dining contracts for the 2003-2004 academic year, as presented. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin expressed appreciation for the maps that were provided of each university's residence system.

APPROVAL OF MISCELLANEOUS FEES AND CHARGES.

Director Elliott stated that the non-tuition related fees were unchanged from those presented at the March meeting. She referred Board members to the location in the meeting materials of the fee changes from the previous year.

Regent Neil referred to the University of Northern Iowa's proposed graduation fee increase of \$10 and asked if the only reason the increase was requested was to make the charge consistent with the other institutions. Vice President Romano responded that University officials have been trying to increase the fee to the \$25 level to cover the cost of the graduation ceremony. She said the ceremony is very important to students and their parents.

Regent Neil asked if University officials keep track of the costs of graduation ceremonies and whether the \$25 fee would cover the University's cost. Vice President Romano responded affirmatively to both questions.

Regent Nieland said she would not be opposed to a uniform graduation fee among the Regent universities.

Regent Becker referred to the proposed fee for the University of Iowa's e-portfolio. While always hesitant to add more costs for the students, she said this effort will assist students in meeting the portfolio requirements of the teacher quality bill. She encouraged her fellow Board members to visit the websites which show what the e-portfolios could mean for education students. The University of Iowa provides a great model for the state for those who want to take advantage of this resource.

Regent Fisher referred to the increased fees for the University of Northern Iowa's Price Laboratory School, and asked if the fees would allow the School to meet its recently-established criteria and goals. Provost Podolefsky responded that the fees would cover only a very small amount of the School's budget cut. University officials have significantly reduced the budget of the Price Laboratory School.

Regent Fisher asked if University officials anticipated that the fees would need to be increased substantially in the future. Provost Podolefsky responded that there will be some increases but, predominantly, efficiencies will be achieved through more effective use of faculty.

Regent Neil asked if the families have stayed involved through the School's restructuring. Provost Podolefsky responded affirmatively, noting there has been a very collaborative effort between parents and faculty. He said the Lab School is now better integrated with the rest of the University campus.

Regent Neil asked if there has been any negative feedback from parents on the fee. Provost Podolefsky responded that there has not been any negative feedback from parents. He said parents will find that the School is much more effective and integrated with the University. He noted that the School's budget has been reduced by \$2.1 million.

Regent Arnold stated that, initially, she had some reservations about the new fee for the College of Education at the University of Iowa. After having conversations about the e-portfolio, she is now very thankful that she will have an e-portfolio to meet the new standards for teachers. She believes it is a very necessary fee for the College of Education to maintain the quality of its program.

Regent Arnold asked if Iowa State University's fee for tutorials of Praxis 1 is mandatory. President Geoffroy responded that it is a voluntary fee for students who choose to take the tutorial.

MOTION: Regent Arbisser moved to approve (1) changes to miscellaneous fees and charges for 2002-2003, as presented; (2) revisions to the administrative rules and submission of a Notice of Intended Action regarding university graduate application fees for Iowa State University; and (3) recommended combined MBA fees, as presented. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

ANNUAL REPORT ON COMPETITION WITH PRIVATE ENTERPRISE.

Director Elliott stated that the Board of Regents is precluded from competing with private business except in certain situations. She said the Board receives annual reports of institutional activities, including any formal complaints related to competition

with private enterprise, during the past calendar year. One complaint was received during the past calendar year and it has been resolved.

Regent Turner referred to the complaint received at Iowa State University and stated that University officials were very innovative in how they dealt with the complaint. (Iowa State University's CyCash program allows students to conduct transactions electronically using their ISUCard. University officials offered to allow the local bookstore to purchase the card reading equipment, obtain the necessary communication connection, and pay the administrative fees associated with the program. The local bookstore accepted the University's offer and the program has been implemented.)

Regent Fisher said he applauded the universities for dealing with the issue of potential conflict of interest with private enterprise.

Regent Neil asked about the complaint regarding the Department of Speech Pathology and Audiology dispensing hearing aids. Vice President True responded that it was not a complaint but, rather, was an issue currently under review at the University of Iowa. He said the Department of Speech Pathology and Audiology's Center for Disabilities and Development, and the Department of Otolaryngology proposed to dispense hearing aids directly to patients. The proposal is before the University's Committee on Competition with Private Enterprise and Community Concerns. A recommendation will then be made to the Vice President for Finance and University Services.

Regent Neil asked if the dispensing of hearing aids would be a revenue-generating activity or provided to patients at cost. Vice President True responded that the activity would not be done at a loss. He believes the University's dispensing of hearing aids would be justified on educational grounds. The request is being driven by the Department's educational component.

Regent Neil stated that, when the Board of Regents toured the new facility that would house the Department of Otolaryngology, President Coleman discussed how much savings could be provided to University of Iowa patients by dispensing hearing aids. However, the private sector was opposed to the University of Iowa dispensing hearing aids, so the University did not proceed with that activity.

Regent Becker stated that audiology students need to know how to fit hearing aids, create ear molds, etc. She said doing so was a necessary part of their training.

Vice President True said that, although there may be an economic value to patients if the University of Iowa dispenses hearing aids, the driving force by the Department is the educational experience for students.

ACTION: President Newlin stated the Board received the annual report, by general consent.

RATIFICATION OF PRESIDENT PRO TEM OF THE BOARD OF REGENTS, STATE OF IOWA.

President Newlin stated that questions were raised during homeland security planning about the need for a President Pro Tem of the Board of Regents. The Board was presented with a proposed policy on appointment of President Pro Tem. The procedure allows for the continuity of Board activities in the absence of the Board President. He asked that the Board ratify the appointment of Dr. Deborah Turner, whom he had nominated to serve in that capacity. Dr. Turner will serve as President Pro Tem for a term of one year until the next election of a Board President in May 2004.

MOTION: Regent Nieland moved to ratify the appointment of Dr. Deborah Turner as the President Pro Tem of the Board of Regents. Regent Arnold seconded the motion. MOTION CARRIED UNANIMOUSLY.

INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS.

Associate Director Racki stated that the agreements, leases and easements were in order.

MOTION: Regent Neil moved to approve the University of Iowa's lease renewal with Spencer Municipal Hospital, Spencer, Iowa, for the University's use of space for a UIHC Child Health Specialty Clinic. Regent Fisher seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Arbisser, Becker, Fisher, Neil, Newlin, Nieland, Turner.
NAY: None.
ABSENT: Kelly.

MOTION CARRIED.

INSTITUTIONAL REGISTERS OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. (a) University of Iowa.

Vice President True expressed appreciation to the Board for the direction provided earlier in the meeting on capital-related matters addressed during the University of

Iowa's parking study. He referred to the Board's conditional approval for the University to proceed with construction of the Pomerantz Center project, based on the University's implementation (and a report to the Board) of the east campus short-term parking recommendations. He said University officials intend to report to the Board periodically.

Vice President True then offered to answer questions regarding the University's capital register. There were none.

MOTION: Regent Fisher moved to approve the Register of Capital Improvement Business Transactions for the University of Iowa. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Iowa State University.

Vice President Madden stated that University officials would provide a schematic design presentation on the Environmental Health and Safety/Regulated Materials Facility project.

President Newlin asked for a motion to approve the capital register, with the exception of the Environmental Health and Safety/Regulated Materials Facility project.

MOTION: Regent Arbisser moved to approve the Register of Capital Improvement Business Transactions for Iowa State University, with the exception of the Environmental Health and Safety/Regulated Materials Facility project. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

Vice President Madden introduced Daryl Metzger, Smith Metzger Architects.

Mr. Metzger stated that the site for the project is the area formerly known as Pammel Court. He said the design reflects four basic zones. He provided a PowerPoint presentation of the site plan, view of the model from different directions, diagrams of the various elevations, and the floor plan for each level. He said the building will have an average 60 percent efficiency.

Regent Fisher asked if the 4-H building is in the area of this building site. Mr. Metzger responded affirmatively, stating that the 4-H building is to the north of the site.

Regent Becker noted that the mechanical section of the building was huge. Mr. Metzger responded that the building has significant mechanical requirements.

Regent Nieland noted that the administrative space was also large. Vice President Madden stated that, although the area to which Regent Nieland referred was labeled "administrative" space, it is the office and work space for the environmental health and safety staff. He said the growth in both state and federal requirements in this area has necessitated the addition of substantial staff over the years. The recent federal legislation regarding terrorism and bio-hazardous materials also required additional staff. Therefore, he said the word "administration" refers to the people who are carrying out these programs for the entire University campus. The majority of those staff are working across the campus in the areas of environmental health and safety regulatory requirements.

Mr. Metzger stated that the total project cost is estimated at \$10 million.

President Newlin asked that the next time the Board receives a presentation on this project, the diagram distinguish between program and administration spaces.

Vice President Madden stated that there are a large number of technicians and staff members that will be housed in this facility. All of the University's hazardous waste materials will be processed through this facility. University officials determined that processing hazardous waste in a facility like this is more cost effective than some of the alternatives.

MOTION: Regent Becker moved to approve the schematic design of the Environmental Health and Safety/Regulated Materials Facility project. Regent Nieland seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin asked that when the Board members are provided with another design booklet for this project, "EH&S" be spelled out. (NOTE: The Environmental Health and Safety/Regulated Materials Facility project was also discussed [on the following page] under the University of Northern Iowa's capital register.)

(c) University of Northern Iowa.

Vice President Schellhardt stated that receipt of the schematic designs for the McLeodUSA Center and Human Performance Center was included in this month's capital register. Next month, University officials will request Board approval of the schematic designs and the business and finance plans for the projects.

Vice President Schellhardt stated that another item on the University's capital register this month was the Integrated Student Services Center—Phase 1 (Gilchrist Hall). He said University officials requested permission to proceed and approval of the architect, pending legislative approval of "the release" of \$1.4 million in unexpended bond refunding proceeds from 2002.

Regent Becker expressed strong support for the notion of integrating student services.

MOTION: Regent Neil moved to approve the University's request to proceed with project planning and the selection of Novak Design Group, Cedar Rapids, Iowa, for the Integrated Student Services Center—Phase 1 (Gilchrist Hall) project. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

Vice President Schellhardt introduced Rod Kruse of Herbert Lewis Kruse Blunck Architects to make a presentation on the schematic designs of the McLeodUSA Center and Human Performance Center. He stated that, last fall, the Board of Regents approved the program statements for both facilities.

Regent Fisher referred to the Environmental Health and Safety/Regulated Materials Facility project presented in the Iowa State University capital register, and the McLeodUSA Center and Human Performance Center for the University of Northern Iowa. He asked from where the funds will come for those capital projects.

Executive Director Nichols responded that the Iowa State University project is funded, in part, by internal University funds and charges to the users of the facility.

Vice President Madden stated that the Iowa State University project budget of \$10 million includes no direct state appropriations. The facility will be established as a self-funded enterprise. A materials charge on hazardous materials will generate revenue to pay the debt financing. He noted that, if the facility to manage hazardous materials appropriately is not built, Iowa State University's research programs will be seriously impacted.

With regard to the University of Northern Iowa's McLeodUSA Center and Human Performance Center, Executive Director Nichols said there were no approved financing plans nor draft plans before the Board. Therefore, the funding streams and allocation of costs are still pending.

Regent Becker asked about funding for the Integrated Student Services Center. Executive Director Nichols responded that funding could be available for a refunding that was due last spring. Rather than \$1.4 million of the refunding bonds being used to refund the outstanding bonds, these bonds were refunded with tobacco bond proceeds. Legislative authorization is needed to spend the \$1.4 million. Subsequent legislative action put the funds on hold. He said it was anticipated that the legislature would be releasing those funds, which are the main source of funding for phase 1 of the project.

Mr. Kruse introduced his staff members who were present, as well as representatives of Crawford Architects, a sports facility consultant. He presented a model of the projects' site which included the UNI-Dome, the McLeodUSA Center, the Human Performance Center, and the Wellness/Recreation Center. While presenting a vicinity map, he identified nearby buildings. He said the site of the McLeodUSA Center is south of the UNI-Dome. There is existing parking to the south of 27th Street. Parking will remain on the site to the west of the facility. University officials are studying the addition of parking for approximately 600 cars to be located west of Nebraska Street.

Mr. Kruse stated that a key element of the projects is the connectivity to the existing campus. There will be links between the UNI-Dome and the new buildings. The plans include an alternate to add offices for the football coaches and athletics administration. He said the McLeodUSA Center event floor will be on the same level as the event floor of the UNI-Dome. The plans provide for a potential hall of fame which will serve as a lobby or greeting space and connect visually the entire complex. The footprint of the building would be a simple rectangle. A new service entrance will be carved into the hillside off Hudson Road. He stated that entering the McLeodUSA Center will have a similar "feel" as entering the Carver-Hawkeye Arena on the University of Iowa campus because one enters both facilities at the top of the arena. He said toilet facilities will be equally distributed in the four corners of the facility, and noted that the rest room accommodations will comply with the Regents' ratio of men's-to-women's rest rooms as well as with building codes.

Mr. Kruse presented the design of the various floor plans of the McLeodUSA Center. He said the facility will accommodate various sports and events. He presented views of the facility from various external elevations. He said the rubber membrane roof is sloped and has a back-up drain system and overflow system. The roof is designed to have a 20-year life and will come with a 15- to 20-year warranty.

Mr. Kruse stated that the Human Performance Center would be located north of the UNI-Dome and west of the Wellness/Recreation Center. Parking that will be displaced due to construction will be replaced with new parking to the north of the building. He reviewed the organization of each level of the Human Performance Center. If funds are available, approximately 7,000 square feet will be added to accommodate football

coaches' offices, meeting rooms and the athletic administration department. If funds allow, the strength training room will be expanded into the UNI-Dome somewhat, creating new storage space, a viewing platform over the UNI-Dome, two new stairways and a lift for mobility-impaired individuals.

He asked that Dr. Chris Edgington, Director of the School of Health, Physical Education and Leisure Services, discuss the program usage of the Human Performance Center.

Dr. Edgington stated that the Human Performance Center is designed primarily to support the academic programs of the School of Health, Physical Education and Leisure Services. He said this exciting project was developed in collaboration with the Cedar Valley medical community and the University of Northern Iowa Department of Intercollegiate Athletics. The building has two primary functions: 1) athletic training and 2) support of youth programs, primarily outreach. With regard to athletic training, he said University officials want to build America's premier athletic training program. Next year, the University will have more PhDs in that area than any other program in the U.S. With regard to support of youth programs, he said the Center for Healthy Youth Development provides space for Camp Adventure, the National Center for Playground Safety, and an endowed professorship in leisure and youth. Camp Adventure operates with a staff of 800 students and primarily serves U.S. military installations overseas in 20 countries and at 150 program sites. He said the Global Health Core provides preventive health care services programs that are culturally sensitive to a variety of populations in Iowa and overseas. The National Center for Playground Safety serves a wide constituency throughout the U.S.

Dr. Edgington said the Human Performance Center is projected to serve on-site approximately 2,185 students. Off-site programs will serve over 800,000 individuals. He believes the facility will add to the existing programs and will be a great asset to the School of Health, Physical Education and Leisure Services.

Mr. Kruse presented a computer rendering of the McLeodUSA Center design. He said the building is bermed. The material is comparable to, but slightly different than, the UNI-Dome. The Human Performance Center will have a height and color relationship similar to the Wellness/Recreation Center.

Regent Neil asked if University officials have considered alternative funding sources since funding is an issue. Will elements of the buildings be omitted to reduce costs?

President Koob stated the program was built from the ground up. The entire concept began as a joint fund-raising project to tie together the University's athletics programs and the wellness/recreation programs, as an opportunity for donors to contribute to the University's athletics or academic programs. He said each building element is based on

the level of funds that University officials intend to raise. Fund-raising expectations have been exceeded; therefore, the designs include alternates. For instance, if more money is raised, the hall of fame could be funded. If less money is raised, then the hall of fame would be an alternate for future fund raising and development.

President Koob stated that University officials are not trying to build facilities for which funding sources have not been identified. University officials will only build as much as there is money to build. The initial budget for the McLeodUSA Center was \$15 million; however, due to the success experienced in fund raising, the estimate of the potential building budget has been increased to between \$18 million and \$20 million. Similarly, for the Human Performance Center, the University Foundation has had extraordinary success in fund-raising for the academic elements of the project. Federal grants have been received to support the children's programs. Fund raising for the coaches' offices will continue. He said both alternates will only be realized if the funds are raised.

Regent Neil asked if the University has funds for the projects as presented at this meeting. President Koob responded affirmatively. He said the architects were given a dollar figure and directed to design as much as possible within that dollar amount. He said he was personally amazed at the amount of value that is to be achieved. He expressed excitement about the concept and said he was extraordinarily pleased with the level of integration. The position of University officials has been conservatively fiscal from the very beginning. The projects will be built with the dollars available.

Regent Nieland asked about the maintenance issues. President Koob stated that the maintenance issues would vary for the different parts of the facilities. He said the McLeodUSA Center will be part of a larger event center. The UNI-Dome and McLeodUSA Center together will be used not only for athletic events but for convention and visitor events, as well. Currently, the largest single money-making event on the University of Northern Iowa campus is a craft show which accommodates 100,000 people in the UNI-Dome over a four-day period. Presently, the UNI-Dome enterprise is subsidized by those kinds of events. Moving basketball off of the UNI-Dome floor frees up three months of prime-time event space which, according to the pro forma, will not only cover the cost of the interest on bonds that might be sold, but would cover the maintenance costs, as well.

President Koob said the Human Performance Center will be part of the academic program of the campus.

Regent Turner asked what the relationship would be with the City of Cedar Falls for use of the McLeodUSA Center and the UNI-Dome. President Koob responded that negotiations with the City of Cedar Falls are currently taking place. He said the City Council has recognized the immense potential economic benefit to the City of an event

center of this type. A modest investment could be made by the City to increase the building's utility as an event center. University officials are negotiating with the City about the way in which funds would come to the University and how interactions would occur. He said University officials will attempt to finish the negotiations before next month's Board of Regents meeting and report to the Board on the plans.

Regent Fisher asked if the funds from the City of Cedar Falls would be in the form of an outright pledge or gift as opposed to a loan. President Koob responded that two proposals were "on the table": 1) the City would pledge a cash payment of \$250,000 per year for eight years for a total of \$2 million, or 2) the full \$2 million up front. In both cases, how the City recovers its investment is part of the ongoing negotiations.

Regent Fisher asked if the City's funds would be in the form of a loan. President Koob responded that the City's funds would not be a loan. There is no obligation in the sense of a loan but there is a sense of investment by the City. The City will expect to share in future revenue of the McLeodUSA Center to the degree that it will get its money back.

President Newlin asked for the cost and funding source for the proposed 600-car parking lot. President Koob responded that the cost would be financed by the University's parking fund. Vice President Schellhardt said the cost would be approximately \$250,000 for the 600-car parking lot. University officials have discussed master lease financing for the parking lot.

President Newlin asked about the "non-discriminatory gender ratio" for toilet fixtures as mentioned by Mr. Kruse. Mr. Kruse responded that the ratio is 2-1/2 to 1 and is adhered to throughout the complex.

MOTION: Regent Turner moved to (1) receive the schematic design reports for the McLeodUSA Center and Human Performance Center projects and (2) approve the remaining items on the Register of Capital Improvement Business Transactions for the University of Northern Iowa. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

(d) Iowa School for the Deaf.

Superintendent Johnson offered to answer questions about the School's capital register. There were none.

MOTION: Regent Fisher moved to approve the Register of Capital Improvement Business Transactions for the Iowa School for the Deaf. Regent Nieland seconded the motion. MOTION CARRIED UNANIMOUSLY.

Superintendent Johnson reported to the Board on recent accomplishments of the School's students in athletic and academic competition against both hearing and hearing-impaired students.

President Newlin stated that the students' accomplishments were a tribute to Superintendent Johnson's leadership.

SCHEDULE FOR HEARING ON REGENT MERIT SYSTEM PAY PLAN FOR 2003-2004.

Director Wright stated that, pursuant to the administrative rules of the Regent Merit System, the Board is required to conduct a public hearing for the Merit System Pay Plan for FY 2004. Regent Merit System Associate Director Brunson and he will conduct the hearing on behalf of the Board. Any comments made at the public hearing will be reported to the Board when the Board is asked to approve the pay plan.

ACTION: President Newlin stated the Board, by general consent, set the date for the Regent Merit System Pay Plan Public Hearing for Wednesday, May 7, 2003, at the Iowa State University Memorial Union, Pioneer Room at 7 p.m.

INSTITUTIONAL AND BOARD OFFICE PERSONNEL TRANSACTIONS.

Director Wright stated, for the benefit of Regent-designates Downer and Forsyth, that there are two events which cause the personnel registers to be considered individually rather than on the consent docket: 1) appointment of a senior administrator or 2) promotion and tenure recommendations, which was the reason this month. He stated that each of the university presidents wished to comment on the tenure reports.

Provost Whitmore stated that he spent most of the month of February reading over 100 promotion and tenure recommendations. Components of performance considered for promotion and tenure include a faculty member's quality of teaching, research and service. He said it was energizing to read about the tremendous output by University of Iowa faculty.

Regent Becker referred to the continued differences in the number of male and female faculty tenured. She asked if the supply of women who might qualify for tenure is smaller than that for men. Provost Whitmore responded that female faculty receive tenure at the same rate as male faculty. There is no disproportion in receipt of promotion and tenure between male and female faculty. He said 109 total faculty members were eligible for promotion and tenure and 100 were advanced. Nine faculty members were not advanced.

Regent Becker asked if there are similar numbers of women and men applying for tenure-track positions. Provost Whitmore responded that the number of women hired at the University of Iowa is increasing.

Regent Turner said it would be helpful for the Regents to be provided with the number of faculty who were eligible for promotion and tenure as well as the number of faculty who were recommended for promotion and tenure. Provost Whitmore said University officials would work with the Board Office to provide that information.

Provost Allen stated that the profile with respect to gender at Iowa State University was very similar to that described for the University of Iowa. This was the first year that he has participated as Provost in this very important process. He was convinced that Iowa State University has a very high-quality faculty and that faculty are serious about the promotion and tenure process. He said the University had 82 faculty members who were eligible for promotion and tenure, of which 68 were recommended for promotion and tenure. He added that University officials will provide the number of eligible faculty in future reports.

Provost Podolefsky stated that the University of Northern Iowa's tenure-track faculty undergo three evaluations every year. A professional assessment committee comprised of a department's tenured faculty reviews each tenure-track faculty's performance. A mid-year review is performed by the tenure-track faculty member's department head. Faculty also receive an annual salary letter. The Provost reads the evaluations of all tenure-track faculty beginning around the faculty member's third year of employment. Once a faculty member becomes eligible for tenure and promotion, a similar process to that described by the other two provosts takes place. Performance during all six years of employment, along with the culminating year, is reviewed in determining promotion and tenure. A faculty member who becomes eligible for tenure should have a good idea a couple of years in advance about whether or not he/she is performing well.

Regent Turner pointed out that post-tenure reviews are now performed of faculty at all three universities.

MOTION: Regent Fisher moved to ratify personnel transactions at the Regent institutions, as presented. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

POLICY ON ELECTION OF RETIREMENT PROGRAM, IOWA SCHOOL FOR THE DEAF.

Director Wright stated that, in January 1996, following legislative action, the Board of Regents extended to special schools faculty and staff the right to participate in the TIAA-CREF retirement fund. At that time, the institutions developed policies that were approved in the Board Office. It is the belief of the Board Office that those policies do not allow the option for employees who were under IPERS to choose annually whether or not to move to TIAA-CREF. In order to correct the situation, institutional officials were asked to modify the policy.

MOTION: Regent Turner moved to approve modification of the ISD policy and the employee handbook, to provide that employees eligible for TIAA-CREF on January 1, 1996 may not modify their election of a retirement program. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

TEACHER TERMINATION, IOWA BRAILLE AND SIGHT SAVING SCHOOL.

Director Utsinger stated that Board members were presented with a recommendation from Superintendent Thurman for termination of a probationary teacher. She said the faculty member did not, in a timely manner, request a hearing before the Board of Regents.

MOTION: Regent Becker moved to receive the recommendation of Superintendent Thurman for the termination of the probationary continuing contract of a teacher at Iowa Braille and Sight Saving School whose record was before the Board. Regent Fisher seconded the motion, and upon the roll being called, the following voted: AYE: Arbisser, Arnold, Becker, Fisher, Newlin, Turner.

NAY: None.

ABSENT: Kelly, Neil, Nieland.

MOTION CARRIED.

SALE OF HOUSE – ESTATE OF GUDRUN G. CUMMINGS, IOWA STATE UNIVERSITY.

Vice President Madden presented Iowa State University's request to liquidate its interest in the Gudrun G. Cummings estate. He said the University is a beneficiary of the estate, which consists of real estate and other property located in Largo, Florida. The trustee of the estate wishes to sell the property and distribute the proceeds according to the trust agreement; the University's share of the estate is estimated at \$270,000. Execution of a Quit Claim Deed is required for the sale of the property and distribution of the proceeds. He expressed University officials' appreciation for the gift.

MOTION:

Regent Turner moved to authorize Iowa State University to execute a Quit Claim Deed for the sale of its interest in the Gudrun G. Cummings estate, subject to approval of the Executive Council of Iowa. Regent Arbisser seconded the motion, and upon the roll being called, the following voted:

AYE: Arbisser, Arnold, Becker, Fisher, Newlin, Turner.

NAY: None.

ABSENT: Kelly, Neil, Nieland.

MOTION CARRIED.

Regent Turner asked for the use of the proceeds once the property is sold. Vice President Madden responded that President Geoffroy was in the process of determining how to use the funds. President Geoffroy stated that the request was an unrestricted gift, which was rare.

28E AGREEMENT WITH DEPARTMENT OF NATURAL RESOURCES FOR MANAGEMENT OF IOWA STATE UNIVERSITY BRAYTON MEMORIAL FOREST.

Vice President Madden stated that, in 1949, Iowa State University received 308 acres of property as a bequest from Emma Brayton in memory of her parents. The bequest provided that the property be used by the University's Forestry Department. He said it has become difficult to manage the property as it is located in northeast Iowa where

there are no University staff. The proposed agreement will allow the University to continue research, demonstration and teaching activities at the property while the property is developed, maintained, and managed by the Department of Natural Resources.

Regent Becker asked if the University will provide funds to the Department of Natural Resources to carry out the maintenance function. Vice President Madden responded that the University will continue to be obligated to pay any maintenance costs. He said timber is harvested from the site; the proceeds from the sale of the wood generates sufficient revenue to pay for maintenance. He noted that there have been some off-the-road vehicles operating in this area. The Department of Natural Resources, which has an office and staff adjacent to the area, is willing to assist in regulating the activities on the property.

President Newlin asked for identification of the legal counsel who had advised University officials on this matter. Vice President Madden responded that Paul Tanaka, Director of University Legal Services, reviewed the matter. Director Tanaka has been working with the Attorney General's Office through the Board Office.

President Newlin stated that Director Wright of the Board Office was not consulted about Director Tanaka's contact with the Attorney General's office. He said Director Tanaka is supposed to coordinate with Director Wright or Executive Director Nichols prior to consultation with the Attorney General's office.

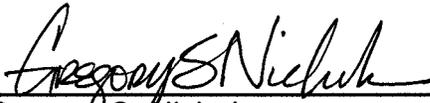
Vice President Madden said he would relay that procedure to Director Tanaka.

MOTION:

Regent Becker moved to approve an agreement, as provided by Iowa Code, §28E.4, between the Board of Regents, State of Iowa and the Department of Natural Resources for the development, maintenance, and management of the Iowa State University Brayton Memorial Forest. Regent Fisher seconded the motion.
MOTION CARRIED UNANIMOUSLY.

ADJOURNMENT.

The meeting of the Board of Regents, State of Iowa, adjourned at 3:58 p.m. on Thursday, April 10, 2003.



Gregory S. Nichols
Executive Director